

## Message Text

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ACTION EA-09

INFO OCT-01 ISO-00 CIAE-00 NSAE-00 NSCE-00 SSO-00

USIE-00 INRE-00 PM-04 H-01 INR-07 L-03 NSC-05

PA-01 PRS-01 SP-02 SS-15 ACDA-07 MC-02 AID-05

OMB-01 TRSE-00 DHA-02 EB-07 IGA-02 /075 W

-----260818Z 051063 /15

O 260715Z MAY 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC IMMEDIATE 307

INFO SECDEF WASHDC IMMEDIATE

CINCPAC IMMEDIATE

CINCPACREPPHIL IMMEDIATE

C O N F I D E N T I A L SECTION 1 OF 2 MANILA 8102

CINCPAC ALSO FOR POLAD

E.O. 11652: GDS

TAGS: MASS, RP, SHUM

SUBJECT: DISCUSSION WITH MARCOS ON NEW ARMS TRANSFER POLICY

REF: (A) STATE 115409, (B) STATE 115244, (C) STATE 117130

(D) STATE 115283, (E) STATE 119345

1. SUMMARY. CHARGE CALLED ON PRESIDENT MARCOS MAY 25 TO DELIVER PRESIDENT'S PUBLIC ANNOUNCEMENT ON THE NEW U.S. POLICY ON ARMS TRANSFERS (REF A). CHARGE DREW ON GUIDANCE IN REFS B, C, AND D IN MAKING PRESENTATION AS WELL AS REF E IN PROVIDING CURRENT STATUS OF FY 78 SECURITY ASSISTANCE LEGISLATION FOR THE PHILIPPINES. CHARGE EMPHASIZED HUMAN RIGHTS ELEMENT IN CONGRESSIONAL CONSIDERATION OF SECURITY ASSISTANCE LEVEL. IN COURSE OF PRESENTATION, MARCOS RAISED SEVERAL SPECIFIC TECHNICAL QUESTIONS (SEE PARA TWO BELOW), ALLUDED TO OMINOUS PORTENTS ON MINDANAO, AND MADE GENERAL OBSERVATION THAT NEW ARMS TRANSFER POLICY AND APPARENT CONGRESSIONAL CUTS IN PHILIPPINE SECURITY ASSISTANCE MADE MORE CONFIDENTIAL

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PRESSING THE ISSUES OF A) CLARIFICATION OF THE MUTUAL DEFENSE TREATY (MDT) AND B) DEFINITION OF THE USE OF THE BASES IN THE PHILIPPINES. CHARGE PROMISED MARCOS TO RELAY HIS QUESTIONS AND OBSERVATIONS TO WASHINGTON. CONVERSATION CLOSED ON SUBJECT OF CURRENT SECURITY ASSISTANCE DEBATE ON THE HILL WITH CHARGE STRESSING THE IMPORTANCE OF GOP PURSUE HUMAN RIGHTS ISSUES IN POSITIVE AND PUBLICIZED MANNER. END SUMMARY.

2. CHARGE CALLED ON ACTING SECRETARY OF FOREIGN AFFAIRS COLLANTES MAY 25 TO DELIVER TEXT OF PRESIDENT'S PUBLIC ANNOUNCEMENT ON U.S. ARMS SALES POLICY (REF A). (CALL HAD BEEN DELAYED PENDING POSSIBILITY OF DIRECT INTEREST BY MARCOS, AND MEETING WITH COLLANTES WAS INTERRUPTED AFTER 30 MINUTES WITH NEWS THAT MARCOS WOULD RECEIVE CHARGE WITHIN THE HOUR.) IN PRESENTING TEXT OF ANNOUNCEMENT TO COLLANTES, CHARGE DREW ON TALKING POINTS PROVIDED REF B, USING AMPLIFICATION PROVIDED IN REF C TO INDICATE WHY THE PHILIPPINES WAS NOT INCLUDED IN THE CATEGORY OF COUNTRIES WITH WHICH THE U.S. HAS MAJOR DEFENSE TREATIES. IN 30-MINUTE CONVERSATION, CHARGE ALSO PROVIDED CURRENT STATUS OF FY 78 SECURITY ASSISTANCE LEGISLATION, NOTING THAT ELEMENTS IN CONGRESS HAD BEEN SEEKING REDUCTION IN AUTHORIZATION FOR THE PHILIPPINES BECAUSE OF HUMAN RIGHTS CONCERNS (REF E).

2. IN REPEAT PRESENTATION TO MARCOS, CHARGE UNDERLINED IMPORTANCE OF ARMS TRANSFER ANNOUNCEMENT AS THE BASIC FRAMEWORK WHICH WILL GUIDE ADMINISTRATION POLICY ON THESE MATTERS IN THE YEARS TO COME. MARCOS LISTENED CAREFULLY TO THE PRESENTATION AND WENT OVER THE TEXT OF THE ANNOUNCEMENT WITH OBVIOUS DELIBERATION. HIS QUESTIONS AND OBSERVATIONS CAME IN THE FOLLOWING ORDER. THEY WERE DELIVERED WITH CARE AND LITTLE VISIBLE EMOTION.

A) MARCOS WONDERED ALOUD HOW THESE DEVELOPMENTS WOULD AFFECT THE PHILIPPINE PROGRAM FOR MILITARY SELF RELIANCE. HE SAID THAT HE WOULD ASK HIS MILITARY TO LOOK INTO THE CONFIDENTIAL

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QUESTION BUT IT WAS CLEAR THAT HE WOULD WELCOME AN INDICATION FROM US ON HOW THE U.S. MILITARY ASSISTANCE PROGRAM (MAP AND FMS) TO THE PHILIPPINES MIGHT BE AFFECTED BY THE NEW POLICY.

B) MARCOS ASKED WHETHER THE DELAY IN THE DELIVERY OF THE SECOND OF TWO C-130S PURCHASED LAST YEAR WAS RELATED TO THE NEW ARMS TRANSFER POLICY. THE CHARGE POINTED OUT THAT THE C-130 PROBLEM WAS A SEPARATE ISSUE STEMMING FROM AN EXPORT LICENSE WHICH HAD EXPIRED IN FEBRUARY. MARCOS SEEMED SATISFIED.

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INFO OCT-01 ISO-00 CIAE-00 PM-04 H-01 INR-07 L-03  
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 NSCE-00  
SSO-00 USIE-00 INRE-00 ACDA-07 OMB-01 TRSE-00  
MC-02 DHA-02 AID-05 EB-07 IGA-02 EAE-00 /075 W  
-----261126Z 053261 /14

O 260715Z MAY 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC IMMEDIATE 308

INFO SECDEF WASHDC IMMEDIATE

CINCPAC IMMEDIATE

CINCPACREPPHIL IMMEDIATE

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C) MARCOS REFERRED TO THE GENERAL ISSUE OF RESTRICTIONS ON TRANSFERS OF "ADVANCED TECHNOLOGY" AND ASKED FOR CLARIFICATION OF THAT TERM. IT WAS POINTED OUT THAT THE USUAL DEFINITION TOOK IN SUCH THINGS AS SOPHISTICATED HIGH-PERFORMANCE AIRCRAFT, MISSILE SYSTEMS, AND "SMART BOMBS". (THE CHARGE REVIEWED FAMILIAR GROUND ON THE "SMART BOMB" ISSUE, STRESSING THE TECHNICAL UNSUITABILITY OF THAT TYPE OF WEAPON FOR PHILIPPINE NEEDS.) MARCOS ASKED WHETHER RADAR WOULD BE CONSIDERED AS "ADVANCED TECHNOLOGY". IT WAS POINTED OUT THAT THE SOPHISTICATED NEW SYSTEMS, ESPECIALLY THOSE EMPLOYED IN HIGH PERFORMANCE AIRCRAFT WOULD BE INCLUDED. MARCOS INDICATED THAT HE WOULD LIKE FROM US GREATER DEFINITION OF THE ITEMS WHICH WOULD CLASSIFY AS ADVANCED TECHNOLOGY. A SUMMARY OF CATEGORIES OF WEAPONS AND EQUIPMENT WOULD BE MOST USEFUL IN THIS REGARD.

D) MARCOS OBSERVED THAT HIS MILITARY WILL HAVE TO MEASURE ITS REQUIREMENTS AGAINST THE NEW U.S. POLICY, COMMENTING THAT "WE MAY HAVE TO PULL BACK ON OUR HARDWARE".

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E) MARCOS ASKED WHETHER ANY OF THE PROVISIONS OF THE NEW POLICY WERE OF A RETROACTIVE NATURE, REFERRING BY WAY OF EXAMPLE TO THE RECENTLY CONSTRUCTED COLT M-16 CO-PRODUCTION FACILITIES. THE CHARGE SAID THAT THERE APPEARED TO BE NOTHING IN THE NEW POLICY WHICH WAS RETROACTIVE. WE WOULD APPRECIATE CONFIRMATION OF THIS.

F) MARCOS SAID THAT THE NEW POLICY WILL REQUIRE THE PHILIPPINES "TO REQUEST AGAIN (OF THE U.S.) A CLEAR DEFINITION OF THE MUTUAL DEFENSE TREATY." THE CHARGE SAID THAT HE HAD RELAYED THIS EXPRESSED INTEREST TO WASHINGTON FOLLOWING THE CONVERSATION WHICH TOOK PLACE DURING THE CALL BY MR. ARMACOST ON MAY 23 (MANILA 7863). THE CHARGE SAID THAT HE WOULD DO SO AGAIN.

G) MARCOS WENT ON TO SAY THAT THE NEED FOR A "DEFINITION OF THE USE OF THE BASES ALSO BECOMES MORE URGENT."

H) MARCOS MADE THE OBSERVATION THAT THE GENERAL PRINCIPLE OF REDUCING ARMS TRANSFERS IS COMMENDABLE AND THAT HE HOPES PRESIDENT CARTER SUCCEEDS.

I) MARCOS THEN ALLUDED TO THE JUST CONCLUDED ISLAMIC CONFERENCE IN TRIPOLI EXPRESSING CONCERN OVER "REPORTS WE HAVE" THAT LIBYAN FOREIGN MINISTER TURAYKI HAS MET WITH THE SOVIETS (NOT CLEAR WHO, BUT PRESUMABLY SOMEONE IN TRIPOLI). MARCOS SAID THAT HE DOES NOT HAVE A CLEAR INDICATION OF SOVIET AND LIBYAN INTENTIONS BUT HE FEARS THAT TURAYKI "IS BACK TO THIS OLD GAME OF SUPPORTING THE MNLF". MARCOS SAID THAT HE WOULD BE INFORMING US FURTHER ON THIS MATTER.

3. THE CHARGE CLOSED BY REVIEWING THE STATUS OF THE FY 78 SECURITY ASSISTANCE LEGISLATION, DRAWING PARTICULAR ATTENTION TO EFFORTS TO CUT THE PHILIPPINE PROGRAM ON HUMAN RIGHTS GROUNDS. THE CHARGE DESCRIBED THE "DESPERATE SITUATION" FACED

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BY THE ADMINISTRATION IN THIS REGARD, THE MAJOR EFFORT MADE TO MINIMIZE CUTS, AND THE VALUABLE CAPITAL EXPENDED WITH THE CONGRESS. MARCOS ACKNOWLEDGED HIS APPRECIATION FOR THE RELATIVE SUCCESS OF THOSE EFFORTS. HE ADDED THAT SOME LATIN AMERICAN COUNTRIES HAD SUFFERED CUTS AND HAD APPARENTLY IN TURN REJECTED THE ASSISTANCE. (MARCOS TOUCHED THIS SO FLEETINGLY THAT IT IS UNLIKELY THAT ANY SIGNAL WAS INTENDED.) THE CHARGE WENT ON TO EMPHASIZE THE IMPORTANCE OF HUMAN RIGHTS FACTORS IN THESE MATTERS, STRESSING THAT CONGRESSIONAL ATTITUDES TOWARD THE PHILIPPINES WILL DEPEND IN LARGE MEASURE ON THE EXTENT TO WHICH POSITIVE GOP POLICIES ARE PURSUED AND PUBLICIZED.

4. COMMENT. MARCOS WAS CLEARLY SOBERED BUT NOT EMOTIONAL BY A DISCUSSION HE CHARACTERIZED AS "FRUITFUL BUT WITH SOME DISAPPOINTING NEWS." HE ASKED SOME DIRECT QUESTIONS IN PARAS 2(A), 2(C) AND 2(E) AND WE WOULD HOPE WE COULD BE FURNISHED THIS INFORMATION AT THE EARLIEST POSSIBLE DATE. MARCOS' OBSERVATIONS ON THE NEED FOR CLARIFICATION ON THE

MDT AND THE BASES SHOULD NOT BE TAKEN LIGHTLY BUT THE MANNER IN WHICH HIS COMMENTS WERE DELIVERED MADE THEM SEEM LIKE TACTICAL COUNTERPOINT TO THE BAD NEWS HE WAS RECEIVING. THIS IMPRESSION WAS STRENGTHENED WHEN HE FOLLOWED WITH THE SHADOWY REFERENCE TO POSSIBLE SOVIET AND LIBYAN COLLUSION ON MINDANAO. WE MAY WELL HEAR MORE FROM MARCOS ON THESE MATTERS AS HE MULLS OVER THE NEW ARMS TRANSFER POLICY AND AS FINAL DECISIONS ARE REACHED BY THE CONGRESS ON THE FY 78 SECURITY ASSISTANCE PROGRAM FOR THE PHILIPPINES.  
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## Message Attributes

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